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February 20, 2004

Thomas M. Dorman, Esq.
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

RECEIVED

FEB 23 2004

**PUBLIC SERVICE
COMMISSION**

Re: Case No. 2003-00434 & 2003-00396

Dear Mr. Dorman:

Please find enclosed the original and twelve copies of the Response of the Kentucky Industrial Utility Customers, Inc. in Opposition to Kentucky Utilities Company's Motion to Consolidate filed in the above-referenced matters.

By copy of this letter, all parties listed on the attached Certificate of Service been served. Please place this document of file.

Very Truly Yours,



Michael L. Kurtz
BOEHM, KURTZ & LOWRY

MLKkew
Attachment

cc: Certificate of Service
Richard Raff, Esq.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by mailing a true and correct copy, by regular U.S. mail (unless otherwise noted) to all parties on the 20th day of February, 2004.

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Kentucky Utilities Company
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Honorable David C. Brown
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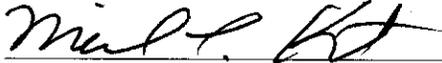
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Michael L. Kurtz

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**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

**PUBLIC SERVICE
COMMISSION**

In the Matter of:

**TARIFF FILING OF KENTUCKY UTILITIES) CASE NO. 2003-00396
COMPANY AND LOUISVILLE GAS AND)
ELECTRIC COMPANY FOR NON-)
CONFORMING LOAD CUSTOMERS)**

**AN ADJUSTMENT OF THE ELECTRIC) CASE NO. 2003-00434
RATES, TERMS AND CONDITIONS OF)
KENTUCKY UTILITIES COMPANY)**

**KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.'s
RESPONSE IN OPPOSITION TO KENTUCKY UTILITIES'
MOTION TO CONSOLIDATE**

I. INTRODUCTION

In its February 12, 2004 Motion to Consolidate, Louisville Gas & Electric Company ("LG&E") Kentucky Utilities ("KU") (collectively "the Companies") requests that the Commission consolidate Case No. 2003-00396 ("the NCLS"), a matter concerning electric service provided by KU to North American Stainless ("NAS") at its facilities in Ghent, Kentucky, with Case No. 2003-00434, KU's general electric rate case. For the reason articulated below, Kentucky Industrial Utility Customers, Inc. ("KIUC") requests that the Commission deny the Companies' Motion to Consolidate.

II. ARGUMENT

KU's pending general rate case is among the most complicated matters considered by this Commission in a decade. Consolidation will only serve to further burden the KU rate case with issues specific to only KU and NAS.

As the Commission knows, the KU rate case is actually four, issue-laden cases in one. Specifically, it is a KU electric rate case, an LG&E electric rate case, an LG&E gas case and possibly an earning sharing mechanism case. All of these issues must be resolved and reduced to a Commission Order by the middle of June, 2004. The addition of even more issues to this complex case will only serve to blur the focus of the general rate case. This is not in the best interests of the intervenors to the rate case.

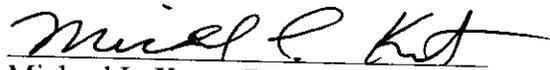
The NCLS case is in itself a complicated matter that requires the Commission to resolve issues concerning rates and terms for electric service supplied to NAS's electric arc furnace upon expiration of its current contract, and the applicability of a new KU tariff intended to only apply to NAS. These issues affect only NAS and KU and are not a proper subject in a general rate case.

Furthermore, the NCLS case will almost certainly require the disclosure of confidential information that may have no relevance to the general rate case. The Commission will likely be faced with the choice of interrupting and delaying the proceedings of the general rate case in order to exclude individuals that are not a party to confidentiality agreements, or risk the disclosure of information NAS rightfully considers commercially sensitive.

III. CONCLUSION

For the reasons stated above, KIUC requests that the Commission deny KU's Motion to Consolidate.

Respectfully submitted,



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Kurt J. Boehm, Esq.

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February 20, 2003